Joint Venture Projects abroad where gas is available at reasonable prices.

DAP is a phosphatic decontrolled fertilizer and is covered under the Concession Scheme. The production of the phosphatic fertilizers in the country is almost dependent on the imported raw material/intermediates. The Government is quarterly updating the normative delivered price of DAP based on the prevailing prices of raw material/intermediates in the international market to encourage the indigenous production of DAP. The Government is closely monitoring the availability of all major fertilizers including urea and DAP. The urea is being imported on Government account to bridge the gap between the assessed demand and estimated production. Imports of all other fertilizers including DAP is allowed freely, however, the Government maintains the buffer stock of DAP to meet the sudden spurt in demand.

Reduction of excise duty on medicines

448. SHRI TARIQ ANWAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is fact that Parliamentary panel attached to his Ministry has asked Government to bring down the excise duty on medicines to 8 per cent from the present 16 per cent;

(b) if so, the details thereof; and

(c) what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) No, Sir.

(b) and (c) Do not arise in view of reply to (a) above.

Budget allocation and actual spending on subsidy

†449. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

† Original notice of the question was received in Hindi.

(a) whether it is a fact that the subsidy to be provided under fertilizer sector in the country by the Government during the year 2006-07 is likely to be more than the estimate for subsidy made in the budget;

(b) if so, the facts thereof and estimate with regard to subsidy made in the budget and estimated amount of actual subsidy; and

(c) the reasons for such a huge gap between budget estimate and actual subsidy?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) Against the total requirement of Rs. 34035.75 crore including the liability of Rs.5913.94 crore carried over from the previous financial year, Department of Fertilizers has been provided with an allocation of Rs. 22,452.91 crore including the releases under the first and second batch of supplementary demand for grants 2006-07. Accordingly, Ministry of Finance has been requested to allocate the balance requriement of Rs.11582.84 crore under the third batch of supplementary demands for grants 2006-07.

(c) Steep increase in the prices of inputs/intermediates to the fertilizer industry coupled with the growth in the consumption of fertilizers all over the country have been the reasons for gap in the budget allocation and the actual requirement of subsidy.

Authority to fix the prices of drugs

450. SHRI T. T. V. DHINAKARAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether an authority has been constituted to fix the prices of drugs including life saving and essential drugs;

(b) if so, the details thereof;

(c) whether representations have been received to exclude certain drugs from the list of life saving drugs; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) to (d) The National